



Serving the Midlands, South West and Wales

Social obligations programme

Stakeholder Workshops

January 2015

What we'll cover today

- In the last 12 months WPD's social obligations programme has developed significantly
- We have engaged stakeholders at every stage (e.g. Customer Panel, research, key partner meetings)
- Today we will:
 - **Recap our strategy & commitments**
 - **Update you on our programme and delivery**
 - **Explain our immediate next steps**
 - **Seek your views on identifying improvements and priorities**

Recap - WPD's approach to social obligations

Our strategy & objectives

We will:

1. Improve our understanding of the nature of customer vulnerability and customer need
2. Improve the accuracy and usefulness of our data with respect to vulnerable customers
3. Improve the services provided to vulnerable customers before and during power cuts
4. Develop, and participate in, referral networks for fuel poverty services for vulnerable households

Where we are in the process



Recap – WPD’s RIIO-ED1 outputs

- There are 17 social obligations commitments in our Business Plan:

<i>Category</i>	Improve our understanding of the nature of customer vulnerability and customer need	Improve the accuracy and usefulness of our data with respect to vulnerable customers	Improve the services provided to vulnerable customers before and during power cuts	Develop, and participate in, referral networks for fuel poverty services for vulnerable households
<i>Number of outputs</i>	2	3	6	6
<i>For example, WPD will...</i>	<ul style="list-style-type: none"> • Work with expert partners to improve understanding of the needs of vulnerable customers • Train staff to recognise the signs of vulnerability. 	<ul style="list-style-type: none"> • Proactively contact vulnerable customers at least once every two years to check the details on the PSR • Improve the quality of PSR data by working with other agencies and sharing information. 	<ul style="list-style-type: none"> • Contact all medically dependent customers every three hours during power cuts • Develop mechanisms for sharing information with local resilience forums 	<ul style="list-style-type: none"> • Develop local outreach services • Build a database of regional agencies we can refer customers to for assistance.

Significant developments 2014 - The headlines

1. Broaden our understanding of customer vulnerability

- First company in the UK to be successfully assessed against the British Standard for 'Inclusive Service Provision' (BS18477)
- Annual vulnerable customer research – 400 surveyed
- System & process changes to begin recording transient/temporary vulnerabilities
- Successful trial assessment of WPD social obligations programme (against Ofgem criteria) →
- Staff training – Energy Saving Trust, Citizens Advice, Hijinx theatre group, CALMER



Aspect of performance	Assessment
Strategic understanding and commitment	Good with features of Excellent
Use of data and customer insight	Good with features of Excellent
Priority Service Register	Excellent
Affordable warmth initiatives	Good with features of Fair
Referral networks and services for vulnerable households	Fair with features of Good
Integration of social role into customer-facing services	Good with features of Excellent

Significant developments 2014 - The headlines

2. Improve the data held on the Priority Service Register

- ★ **Created a dedicated team to proactively contact PSR customers to update their details. Subsequently doubled the headcount**
 - Led key change to industry data sharing arrangements, effective November 2014
 - Every PSR record from suppliers now contains a contact name and telephone number
 - Contacted every GP surgery in our region (poster and offer of leaflets)
 - Multiple initiatives and outreach projects to promote the PSR
 - E.g. British Red Cross Swansea – medical aids loan service – vehicle purchase and PSR sign-up process in place

Significant developments 2014 - The headlines

3. Improve services for customers during power cuts

- Significantly increased proactive contact with vulnerable customers during power cuts
 - 2013: 92,172 proactive calls
 - 2014: 165,573 proactive calls
 - 1,726,034 text messages (to all customers) (500,000 in 2013)
- New single WPD number & promotion
- Emergency planning packs and guidance to every parish council and Local Resilience Forum
- Continued welfare support agreements with British Red Cross and RVS

Significant developments 2014 - The headlines

4. Address fuel poverty by providing access to key information

- ★ **Successful 12 months of operations for flagship fuel poverty referral scheme**
 - Ongoing operating model identified
 - Identified five key “interventions” – all projects re-scoped to achieve these
- ★ **Two new fuel poverty referral schemes created**
- ★ **Commissioned a ‘horizon scan’ of existing community schemes/initiatives**
- ★ **Launched first ‘Affordable Warmth’ project – demonstrating a different operating model to partner existing schemes**



WPD Priority Service Register (PSR) team - context

- 10 call handlers permanently outbound calling PSR customers
- Four core objectives for each call:
 1. Update/confirm customer records
 2. Remind them about WPD and support offered during power cuts
 3. Offer power cut preparation advice
 4. Offer to refer onwards for fuel poverty advice
- No 'time limits' or 'quotas' for calls. Extensive empathy training
- Calls between 9am and 7pm, Monday to Friday – 3 attempts before a letter sent
- Initially focused on Coventry and Leicestershire, and more recently greater Birmingham
- Now expanded to 20 call handlers (5 South Wales, 5 South West)
- **On track to contact 350,000 vulnerable customers a year** (100,000 per team of 10 call handlers; plus c150,000 proactive calls during power cuts)

WPD Priority Service Register (PSR) team - update

	PROJECT TOTAL
Customers attempted to contact	94,358
Customers successfully contacted (phone & letters returned)	55,492
<i>% success rate</i>	<i>58.8%</i>
Customers successfully contacted (phone)	41,611
<i>% success rate</i>	<i>44.1%</i>
Records updated/amended	12,244
Existing records confirmed	10,000
Customers removed from PSR	11,949
Customer requested letter/further details	7,418
Customers failed to contact (phone)	52,747
Hung up	6,449
Incorrect contact details	31,007
No answer	15,291
Letters sent	59,426
Letter response	13,881
<i>% success rate</i>	<i>23.4%</i>
Returned and amended	5,112
Returned and removed	5,797
Customer called in and amended	1,691
Customer called in and removed	1,322

December 2013 to December 2014

'Power Up' referral partnership - Citizens Advice

How does it work?

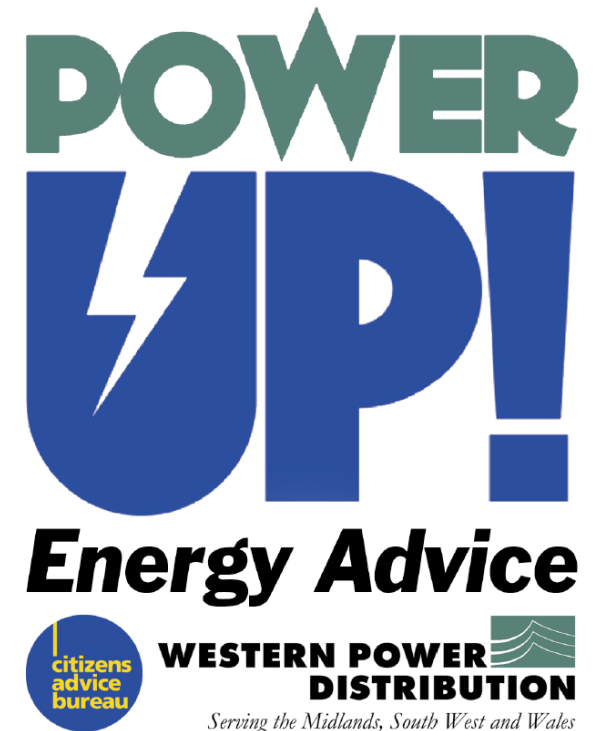
- CAB handles weekly referrals directly from WPD

Project aims

- Help WPD customers and other bureau clients out of fuel poverty by:
 - Managing fuel debt
 - Saving energy
 - Reducing fuel bills
 - Switching suppliers or finding a better tariff

Additional benefits

- Register vulnerable clients on WPD's PSR
- Inform and advise on ECO Schemes to support clients with a new boiler, or cavity wall/loft insulation



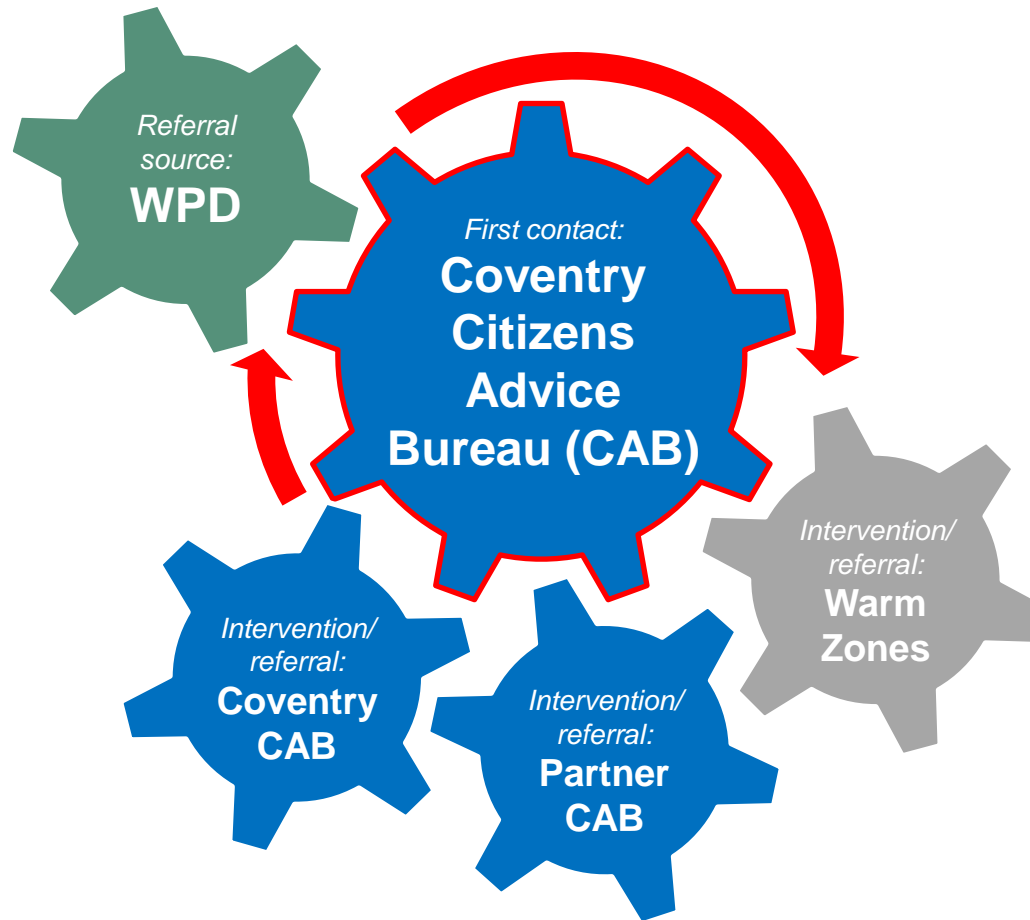
‘Power Up’ referral partnership - Citizens Advice

- To date over 900 referrals handed
- In the first 12 months **694 referrals** (633 from WPD and 61 generated by CAB):
 - We have a recorded outcome for every customer
 - Not all receive in-depth support – for some it is advice and signposting
 - Of those helped in-depth - supported people with total debts in excess of £150,000
 - Resulted in **total annual savings of £33,494** through a range of interventions

£290 saved per year	£4,500 one-off £780 better off per year	£3,192 better off per year	Free connection to Gas network
<ul style="list-style-type: none"> ▪ Single parent struggling to keep on top of fuel bills and was not able to put food on the table. ▪ Was with two separate suppliers for gas and electricity so CAB helped to switch to cheaper dual fuel tariff 	<ul style="list-style-type: none"> ▪ Recipient of State pension in arrears with utility bills and council tax. ▪ Should have been receiving Industrial Injuries Benefit. Reinstated and client received arrears and now receiving correct Housing Benefit ongoing 	<ul style="list-style-type: none"> ▪ Disabled and living alone, struggling to maintain payments on bills and had huge monthly deficit. ▪ CAB supported client to gain severe disability premium of more than £250 per month, ▪ Tariff switch will save £16 per month on fuel bills 	<ul style="list-style-type: none"> ▪ 75 year old widow receiving State Pension and Pension Credit. ▪ No gas to property and previously told very expensive to connect. ▪ Secured a one-off domestic connection through National Grid’s Affordable Warm Home Solutions Scheme.

We have identified a consistent delivery model for fuel poverty referral projects

- A 'Hub' with a lead responsible partner who works with others to achieve our objectives



-----	Hub lead – responsible for receiving all referrals, assessment of need, monitoring our outputs and reporting back to WPD
	Affordability expert partner
	Energy Efficiency expert partner

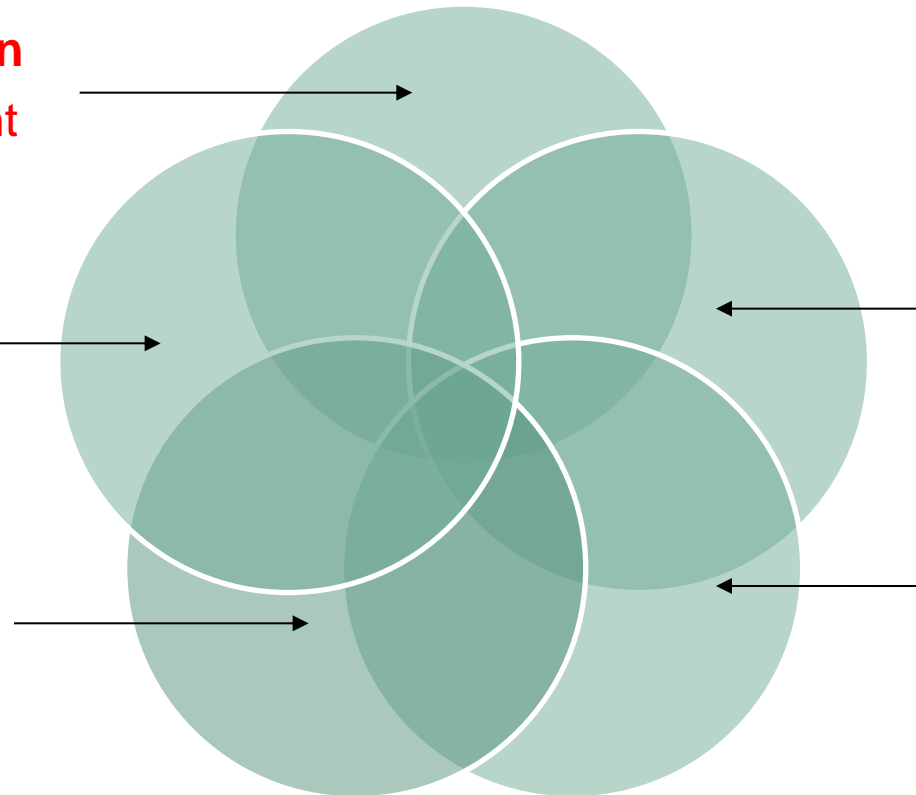
We have identified consistent delivery capabilities & outcomes for fuel poverty referral projects

- Ensure all fuel poverty projects deliver measurable, 'hard' outcomes with clear tracking of every customer/intervention
 - We have developed '**5 core fuel poverty interventions**' that every referral project should have the capacity to deliver:

1. Income maximisation
e.g. debt management

2. Tariffs
e.g. switching

3. Energy Efficiency measures
e.g. Loft and cavity wall insulation
(funding/schemes for)

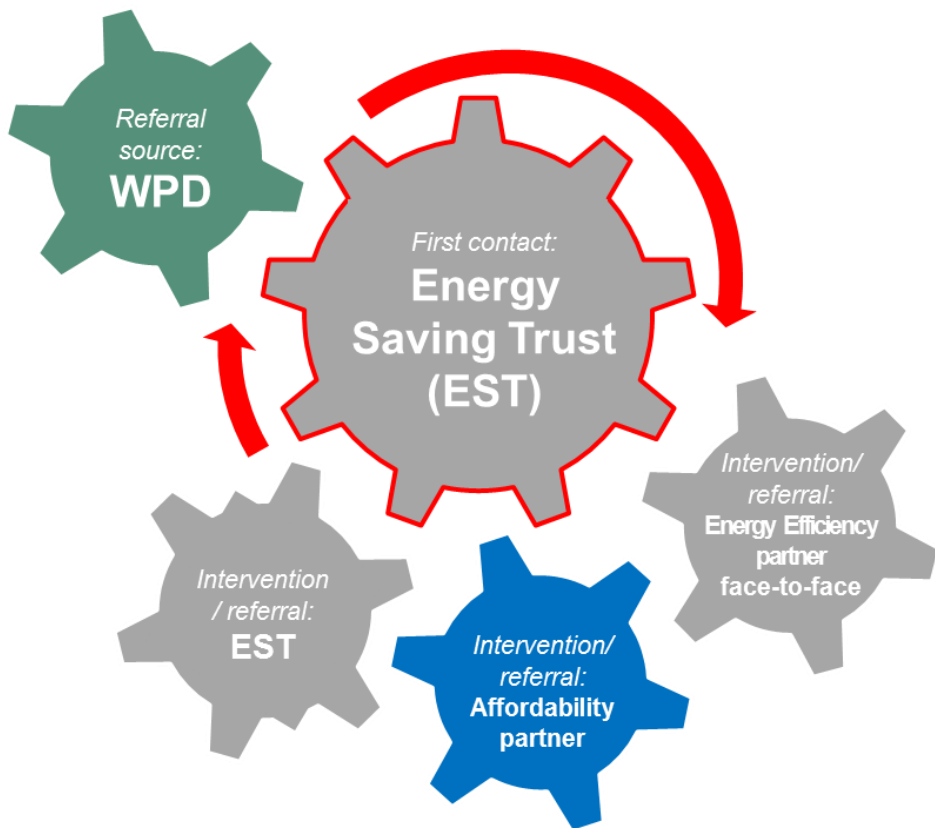


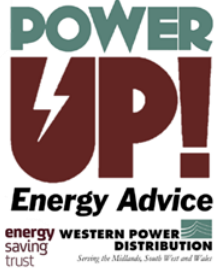

4. Heating solutions
e.g. boiler replacements
(funding/schemes for)

5. Behavioural changes
e.g. maximising your heating system

Developing the Hub model – two new projects created

- Expansion into 2 new locations and testing “hub leaders” with different primary expertise
- Working towards common delivery and reporting methods to ensure best practice, efficiency and cost effectiveness



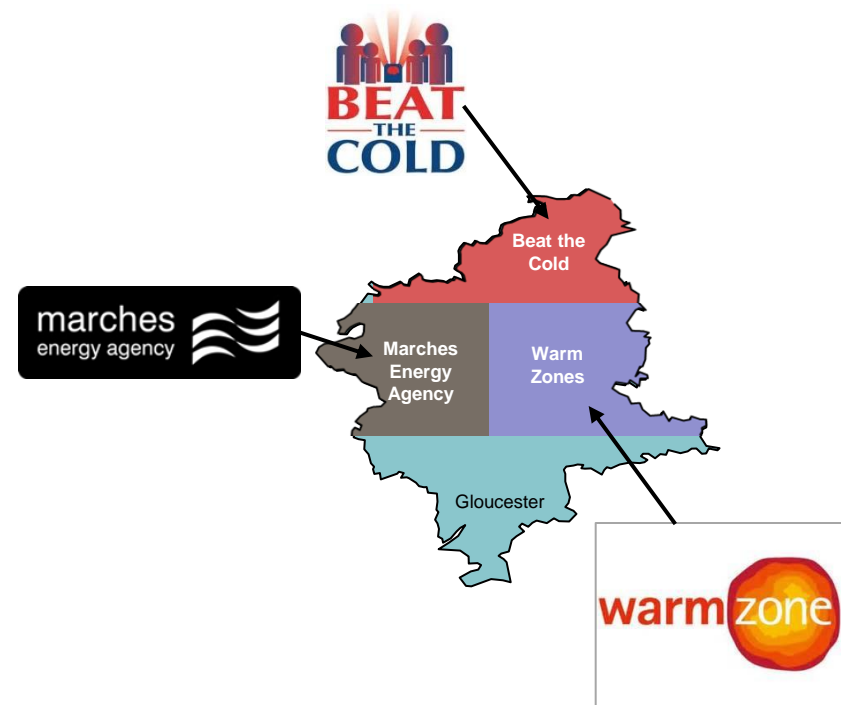
		
	Energy Saving Trust	Centre for Sustainable Energy
Where	South Wales – initially Cardiff and Newport areas	South West – initially Bristol and surrounding area
Sub-partners	EST has a range of partners, including ‘Riverside Money Advice’	CSE has a range of partners, including ‘talking money’
Target	1000	1000
When	1 st Jan 2015 (for 12 months)	1 st Jan 2015 (for 12 months)

Horizon scan of existing referral schemes

- Power Up referral hubs rely on correlation between PSR & fuel poverty and WPD as the referral source
- What about those in fuel poverty, not already known to WPD and not on our PSR?
- Are there opportunities for WPD to join forces with existing schemes (e.g. Local Authority led/supported partnerships) rather than always creating new projects from scratch?
- We have commissioned CSE to carry out a 'Horizon Scanning' exercise to:
 - identify the capacity, financial sustainability, local support networks, quality and range of support available
 - identify gaps in service provision and the potential of existing initiatives to develop
 - explore the efficacy of different potential business models for WPD to provide support to instigate, sustain and improve fuel poverty schemes across its region, in keeping with WPD's strategic objectives

Affordable Warmth scheme – West Midlands

- WPD met with Warm Zones, Beat the Cold and Marches Energy Agency to explore opportunities to partner existing schemes to deliver a new outreach scheme across the West Midlands
- The 3 agencies, with Warm Zones as its lead, will deliver an initial 6-month 'Affordable Warmth' campaign
- Working in an area covered by 12 Local Authorities
- Target to provide energy and money advice support (5 Interventions) to a minimum of 665 customers



Next steps – areas to take forward

Short-term...

- Ensure that existing partnership ‘Hub’ initiatives continue to deliver:
 - Coventry CAB Hub (West Midlands)
 - EST Hub (South Wales)
 - CSE Hub (South West)

Medium-term...

- Act on the findings of CSE’s ‘Horizon Scanning’ to focus our efforts, deliver new initiatives with Local Authorities/existing fuel poverty networks, and plan ahead

Long-term...

- Your views today – delivering our 17 commitments, all as “business as usual”

Questions

- Do you have any immediate feedback on our:
 - Approach?
 - Performance?
 - Next steps?
- Exercise - your views on identifying improvements and priorities for 2015/16

	Objective	Progress to date	Priority			Future actions			
			High	Medium	Low	More	Same	Less	Change of approach
1	Work with expert partners to improve understanding of the needs of vulnerable customers	Adopted the British Standard on Inclusive Service Provision (BS 18477)							
2	Train staff to recognise the signs of vulnerability	BRC and CAB have trained staff - but currently focused on Contact Centre							
3	Proactively contact vulnerable customers at least once every two years to check the details on the Priority Services Register	2 x PSR data cleanse teams (10 per team)							
4	Improve the quality of Priority Services Register data by working with other agencies and sharing information	Every new PSR record has contact name and number (from Nov 2014)							
5	Co-ordinate meetings with suppliers to agree criteria for vulnerability	Work with suppliers to agree criteria for identifying and describing vulnerable customers to improve industry working							
6	Raise awareness of the Priority Services Register	Working with range of partners: AGE UK/Age Cymru, British Red Cross, Citizens' Advice, GPs and Las							
7	Make 10,000 crisis packs available	2,000 packs distributed in last 12 months							
8	Contact all medically dependent customers every three hours during power cuts	Achieved 165,573 proactive calls in 2014							
9	Continue to provide practical support via the Royal Voluntary Service (RVS) and British Red Cross	Ongoing and developing relationships with BRC and RVS							

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